

MAYOR SETS FIGHT TO ALTER CHARTER AND CURB GRAFT

Attack on Slums Also Listed
as Top Goal for 1961—
28 Objectives Cited

BUILDING GAINS MAILED

Wagner Disputes View That
City Is Only For The Very
Rich or Very Poor

Text of Mayor's conclusion
will be found on Page 23.

By CHARLES G. BENNETT

Mayor Wagner said yesterday that the principal goals of his administration for 1961 were Charter revision, a massive attack on slums and "a vigorous drive against unethical practices." In all, he listed twenty-eight major objectives to achieve this year.

Meanwhile the Charter Revision Commission appointed by the Mayor, ignoring a court challenge to its legality, moved to speed the drafting of a new Charter for submission to the voters on Nov. 7. John T. Cahill, the commission chairman, announced the first of a series of public hearings by the group. In a 1,500-word message to the City Council, his eighth annual report, the Mayor estimated that the average New Yorker had about 30 per cent more money to spend than his national counterpart.

City Wage Gains Here
"New York is not becoming a community of the very rich and the very poor; its middle-income segment is growing," Mr. Wagner declared. In 1960, he asserted, weekly earnings and employment were generally higher here than in the previous year, despite the economic recession.

The Mayor noted, however, that toward the end of last year the apparel industry here, "a sensitive barometer of national economic conditions," suffered "substantial inroads of unemployment."

Mr. Wagner delivered his message in person to an audience consisting of the City Council members and about fifty department heads. The message was accompanied by a 16-page printed report for 1960, reprinted illustrated. The Mayor, who on March 20 underwent an operation for removal of a benign tumor under his right ear, seemed tired. His apparent discomfort was recognized by Majority Leader Joseph T. Sharkey, Brooklyn Democrat, who rose from his seat and broke into the Mayor's fifty-three-minute address about

Continued on Page 25, Column 1

BINGO GRAFT LAID TO YONKERS AIDE

City Clerk Accused of Taking
Bribe—Rigging Described

By EMANUEL PERLMUTTER

William A. Gray Jr., City Clerk of Yonkers, was accused yesterday of having accepted a \$500 bribe in 1958 for allowing P. Buckner, convicted criminal, to help Buckner's bingo operations.

The accusation was made by Thomas F. Skinner, a special agent for the State Investigation Commission, and Carl A. Vergani, chief counsel at the commission's public hearing on bingo.

The commission also heard testimony that bingo games could be rigged by withholding a few numbered balls and playing cards so that no one



UNITED PRESS INTERNATIONAL TELEPHONE
DENIES HE SUGGESTED SOLICITATIONS: Interior Secretary Stewart L. Udall at news conference yesterday. At left is Robert Frost, Mr. Udall's luncheon guest.

Udall Accused of Seeking Party Aid From Oil Man

By DAVID HALBERSTAM
Special to The New York Times

WASHINGTON, May 2—Stewart L. Udall was accused today of requesting an oil executive to solicit \$100 contributions to a Jefferson-Jackson Day Democratic dinner from "other oil and gas men." Mr. Udall, the Secretary of Interior, categorically denied the charge. He admitted, however, that he had told the friend, J. K. Evans, that he hoped that "he and some of his friends would be at the dinner."

SCHOOL-FUND BILL WINS SENATE TEST

By JOHN D. MORRIS
Special to The New York Times

WASHINGTON, May 2—An Administration bill to authorize \$3,288,000,000 in Federal grants for public schools started moving through the Senate today under pressure from Democratic leaders for early passage. The measure, which provides aid for normal and other private schools, was approved 81-1 by a Senate Labor and Public Welfare subcommittee. Action in the full committee was tentatively scheduled for Thursday. Leaders hoped to call the bill up in the Senate next week.

As proposed by President Kennedy, the grants provided by the bill would be allocated to the states over a three-year period and could be used to pay teachers' salaries, construct school buildings or both. Use of the funds would be limited to public elementary and secondary schools.

Goldwater Dismissed
Six Democrats and two Republicans voted for the measure. The dissenting vote was cast by Senator Barry Goldwater, Republican of Arizona.

The act marked the collapse of a plan to merge the bill with one to extend and enlarge the National Defense Education Act of 1958. The combined bill was to have included provisions for loans to parochial and private schools for construction of facilities for teaching science, mathematics and foreign languages.

Democratic leaders, with encouragement from Administration officials, had been considering such an approach with the hope of satisfying Roman Catholic demands for aid to private schools as part of a legislative anti-communist drive.

KENNEDY OFFERS TEXTILE-AID PLAN; HINTS AT QUOTAS

Terms T-Point Action Vital
to Economy—Restriction
on Imports Expected

By TOM WICKER
Special to The New York Times

WASHINGTON, May 2—President Kennedy announced today a program of assistance to the textile industry. The program pointed strongly toward import quotas as competing nations.

J. M. Chatham, head of the American Cotton Manufacturers Association, said he was "highly encouraged."

"We are encouraged that this is going to lead to some corrective action," he declared.

His organization has long urged quotas as a relief from the heavy import competition met by domestic manufacturers, particularly in the last two years.

Seven Light' Hens

While the seven-point program did not mention quotas or tariffs, it was regarded by some in the Administration as a "green light" for the Office of Civil and Defense Mobilization to impose quotas on such sources of competition as Hong Kong, Pakistan and other low-wage countries.

This was based on the seventh of the actions proposed by the President. "An application by the textile industry for action under existing statutes, such as the escape clause of the national security provision of the Trade Agreements Extension Act, will be carefully considered on its merits," he said.

That the President chose to emphasize this point was interpreted as possible encouragement for the Tariff Commission or the C. D. M. to favor applications for relief.

The commission has rejected such applications made under the "escape clause" of the trade act. The clause is designed to assist an industry when it is suffering from foreign competition.

Meeting at White House

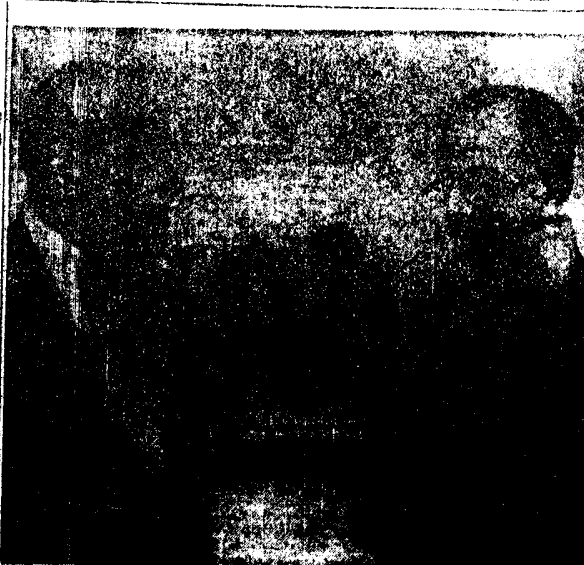
The C. D. M. considers requests for relief under the "national security" clause, designed to prevent damage to the national security through damage to essential industries. In 1959 it restricted crude oil imports the only time it had granted such relief.

The C. D. M., unlike the commission, is part of the Executive office.

Mr. Chatham and other textile men met at the White House today with Commerce Secretary Luther H. Hodges, Gov. Ernest F. Hollings of South Carolina, a textile state, and a member of the White House staff and Hickman Price Jr., Assistant Secretary of Commerce, who heads a Cabinet study committee that developed the program.

Mr. Chatham, head of Dunwoody Mills in Griffin, Ga., said: "Let there be no confusion among candidates."

Continued on Page 24, Column 3



UNITED PRESS INTERNATIONAL TELEPHONE
EXECUTIVE SESSION: Allen W. Dulles, left, head of the Central Intelligence Agency, confers with Senator J. W. Fulbright, chairman of Senate Foreign Relations Committee, before giving closed-door testimony on the agency's role in the recent Cuban landings.

U. S. BRANDS CUBA COMMUNIST STATE

Says Castro Outdoes Soviet
in Barring Vote—Likens
His Rallies to Hitler's

Text of the State Department
statement is on Page 4.

By RAD SZULC
Special to The New York Times

WASHINGTON, May 2—The State Department described Cuba today as a full-fledged member of the Communist bloc. It indicated that consultations with Latin-American Governments for a joint approach to this problem had begun.

Lincoln White, the department's spokesman, asserted that Premier Fidel Castro's announcement yesterday that Cuba was now a "Socialist state" showed that she was further along the Communist road than some other countries in the Communist bloc.

"Let there be no confusion regarding Castro's use of the word 'Socialist' instead of 'Communist,'" the statement said. Mr. White also said in reply to a question that Cuba "certainly" became a member of the bloc.

Referring to Dr. Castro's remark in his May Day speech that no elections would be held in Cuba but rather mass rallies signifying popular support for the regime, Mr. White said that "once again he seems to have gone the other members of the Communist bloc one better: even the Soviet Union holds elections, though there is no choice among candidates."

Continued on Page 4, Column 3

President Selects Killian To Oversee Intelligence

By WALLACE CARROLL
Special to The New York Times

WASHINGTON, May 2—President Kennedy has selected Dr. James R. Killian Jr. to lead the permanent Presidential board that monitors the Government's foreign intelligence activities. Dr. Killian is chairman of the Corporation of the Massachusetts Institute of Technology.

The selection is the latest of a number of steps taken by President Kennedy to restore confidence in the intelligence services after last month's unsuccessful attempt to set off a counter-revolution in Cuba.

There were two developments relating to intelligence problems today on Capitol Hill:

1. The Senate Foreign Relations Committee in closed session questioned Allen W. Dulles, director of the Central Intelligence Agency, on the agency's role in the Cuban rebel landings. The committee also questioned Richard M. Bissell Jr., a deputy director, who was in general charge of the Cuban operation.

2. Support increased in the Senate for a resolution introduced by Eugene McCarthy, Democrat of Minnesota, to set up a joint Congressional committee as a "watchdog" over the Government's intelligence and information programs.

On Board of Advisers
The post for which President Kennedy has picked Dr. Killian is the chairmanship of the President's Board of Consultants on Foreign Intelligence Activities.

This is a board set up in 1956 by President Eisenhower to keep permanent watch over the Central Intelligence Agency and all other agencies engaged in foreign intelligence.

Dr. Killian was the board's first chairman and served from 1955 to 1958. He was succeeded by Gen. John E. Hill (retired), former commander of the United States forces in the Far East and president of the Manufacturing Chemists Association. Now he will succeed General Hill.

Other members of the board are Dr. William G. Baker, vice president for research, Bell Telephone Laboratories, and Dr. J. Edgar Hoover, director of the Federal Bureau of Investigation.

Continued on Page 5, Column 3

FIGHTING HALTS IN AFTER TR

Rebels Straps
in Vang Viem
Agree to No

FULL CEASE

Pathet Lao Ra
for End of Co
—Most of K

By JACQUE
Special to The New York Times

VIETNAMESE
A cease-fire in the zone in the Laotian north, into effect meeting between the rebels and the pro-Communist movement.

This was the result from the made to the opp by Britain and the eight days ago, it appeared to be that the meeting about, which today, was acc as the rebels w The two offici to meet at Royal Laotian, a sentative, Laot, (phonethakhou, v ders to repeat the Government's re cease-fire throug

[The radio at disordered forces, instructed all Path Wednesday in he Reuters reporter called for throughout the A. M. Wednesday Tuesday Easter Time]

Instructions

The Laotian sentative requesti vade cease-fire at yesterday. But the officer, a Major, ported to have sa no instruction co broad demands and asking the Pathet Lao chief, for fu

Nevertheless, a statement read by ment spokesmen to men arranged "and in principle" a fighting in the at Vieng and Ray Va the near the high road connecting the administrative capital Phabang, the 130 miles to the no Prince Sipsongx Minister in the regime, said there w full in the fighting

Continued on Page 5

KATANGA B TO U. N. DE

Cabinet Promises
Reorganization

By THE ASSOCIATED
ELISABETHVILLE

20, May 2—The secessionist Katanga promised today a United Nations dem reorganization of the Army and the outst eign advisers.

The Cabinet acti: Tshombe, President, was still held prison. Central Congo Gov what appeared to be reversal of policy, it also asked the Unit to organize a new of Congolese leaders the future form of

Theatres Bid City End 5% Tax As a 'Last Chance of Survival'

By ARTHUR GEIS

Dire findings in a ten-month from new union contracts. Some study of the theatre's financial producers have said that the Broadway League's bid for fifteen leading revocation of the Federal tax yesterday to plea with Mayor ticket prices. A bill to repeal Wagner for immediate tax the Federal tax was introduced relief.

The Mayor said he was "sympathetic" to their demands but John V. Lindsay, whose Seven-issued further discussion of the theatre. District includes a meeting between the "Unfortunately, the bill isn't theatre group and members of moving." Mr. Lindsay said in the Board of Estimate and City Washington yesterday. "It's in Council leaders.

Continued on Page 26, Column 1

Astronaut's Flight Delayed by Weather

By RICHARD WITKIN
Special to The New York Times

CAPE CANAVERAL, Fla., May 2—The United States' first

THE NEW YORK TIMES, WEDNESDAY, MAY 3, 1961.

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KILLIAN RECEIVES INTELLIGENCE POST

Continued From Page 1, Col. 6

phone Laboratories, Murray Hill, N. J.; Admiral Richard J. Conolly, president of Long Island University, Greenvale, L. I.; Colgate W. Darden, former Governor of Virginia, Norfolk, Va.

Also Lieut. Gen. James H. Doolittle, chairman of the board, Spence Technology Laboratories, Inc., Los Angeles; Robert A. Lovett, former Secretary of Defense, New York, and Edward L. Ryerson, former chairman of the Inland Steel Company, Chicago.

Some of these members will be replaced by President Kennedy. The new board will be announced in a few days.

The board is a continuing body and is supposed to report to the President every six months. It is thus distinct from the temporary group under Gen. Maxwell D. Taylor, whom the President appointed to conduct an investigation of the intelligence activities with special reference to the Cuban landing.

President Eisenhower set up the board for two purposes. The first was to meet criticisms of a Hoover Commission task force that found a number of administrative weaknesses in the Central Intelligence Agency.

The second was to head off just such a move in Congress as that now under way to set up a congressional "watchdog committee" over the intelligence services.

The board's principal concern was the Central Intelligence Agency, but it was also asked to keep watch on at least thirty other intelligence activities, including those conducted by the



CHIEF OF BOARD: Dr. James R. Killian Jr., to head the board monitoring the Government's foreign intelligence activities.

armed services, the State Department, the Atomic Energy Commission and some units of the Federal Bureau of Investigation.

Eisenhower Opposed Unit General Eisenhower was unalterably opposed to a Congressional watchdog committee. So was the Central Intelligence Agency director, Mr. Dulles.

This Presidential opposition and the personal popularity of Mr. Dulles in Congress helped to defeat a Senate resolution in 1956 to set up such a committee.

The resolution was introduced by Senator Mike Mans-

field, Democrat of Montana, who is now the majority leader. Mr. Kennedy, then a Senator, voted for it.

The Senators who are promoting the new resolution therefore believe that President Kennedy would not object to a joint Congressional committee to keep watch on all intelligence activities.

Congressional concern over the Central Intelligence Agency arises from the fact that it is one of the few Government agencies that largely avoid Congressional scrutiny. It is also one of the agencies that by the nature of its mysterious operations can involve the United States in the most serious embarrassments and risks.

The Central Intelligence Agency was reestablished in 1947 to gather and correlate intelligence and to conduct the kind of "subversive operations" that all great powers engage in but seldom acknowledge.

It produces, among other things, a daily intelligence digest that goes to the President every morning.

Size of Staff Secret

Its budget and the size of its staff are secret. Only a few members of Congress have an idea of how much money it receives and spends. Its headquarters staff is scattered throughout Washington in thirty or more buildings but it will eventually move into a new building almost as large as the Pentagon on the Virginia side of the Potomac.

One of its projects that became known was the development of the U-2 plane, equipped to take remarkably clear pictures of ground installations from great altitudes.

These planes were used over the Soviet Union to take pictures of rocket launching sites and other military and indus-

trial installations. United States relations were strained and a "summit conference" in Paris at which President Eisenhower met Premier Khrushchev collapsed on the very first day when one was shot down by the Soviet.

The handling of this incident involved the agency in most criticism at the time. "Was it the Central Intelligence Agency's fault that the Premier's plane was shot down?" asked one of the many questions that followed the incident.

DOUGUIBA DUE IN U.S.

Opens Tour Today—Will Ask Investment in Tunisia

MONTREAL, May 2 (Canadian Press) — President Habib Bourguiba made a brief visit to Montreal today near the end of his two-day visit to Canada.

At a news conference before he flew back to Ottawa, the North African leader discussed the forthcoming tour of the United States, which begins tomorrow. He said one purpose of the trip was to invite extensive American investment in Tunisia.

Mr. Bourguiba said he hoped that the investment "might be in the order of \$500,000,000 over the next ten years." (A dispatch printed in The New York Times Monday quoted Mr. Bourguiba as having said his ten-year program for economic and social development of Tunisia had a budget of \$800,000,000.)

A Correction

The name of Herbert W. Mintz, a lawyer, of 217 Broadway, was misapplied in the list of lawyers admitted to practice before the United States Supreme Court, which was published yesterday in The Times.

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